

## **RESOLUTION 32-2009**

### **RESOLUTION RELATING TO RURAL SPECIAL IMPROVEMENT DISTRICT NO. 2517 (MARTINEZ GULCH); FINAL LEVY OF SPECIAL ASSESSMENTS ON PROPERTY WITHIN THE DISTRICT FOR THE PURPOSE OF FINANCING THE COST OF CERTAIN LOCAL IMPROVEMENTS AND FUNDING MAINTENANCE COSTS OF THE IMPROVEMENTS**

**BE IT RESOLVED** by the Board of County Commissioners of Jefferson County (the "County"), Montana, as follows:

Section 1. The District; the Improvements. The County has created a Rural Special Improvement District (the "District") pursuant to Montana Code Annotated, Title 7, Chapter 12, Part 21, as amended (the "Act"), denominated Rural Special Improvement District No. 2517 (the "District"), and undertaken certain local improvements (the "Improvements") to benefit property located therein. The Improvements have been or, by the conclusion of the current construction season, will be substantially completed and the total costs of the Improvements to be paid with proceeds of the Bond (as hereinafter defined) are estimated to be \$271,333, including all incidental costs. The County has also provided for funding the estimated costs of maintaining the Improvements by creating a maintenance district coextensive with the boundaries of the District (the "Maintenance District").

Section 2. The Bond. The County has pursuant to the Act authorized the issuance of its Rural Special Improvement District bids drawn on the District, denominated "Rural Special Improvement District No. 2517 Bond," in the original aggregate principal amount of \$271,333 (the "Bond"), to finance costs, including incidental costs, of the Improvements. The Bond is payable primarily from special assessments to be levied against property in the District.

Section 3. Method of Assessment. (a) Pursuant to Resolution 16-2009, adopted by this Board on April 28, 2009, and which constitutes the Resolution of Intention to Create the District, this Board determined to levy special assessments to pay the costs of the Improvements on the basis or bases therein provided as authorized by the Act. The County also provided in such Resolution of Intention to Create the District the Maintenance District to fund costs of maintaining the Improvements.

(b) This Board hereby ratifies and confirms that the assessment of costs of the specific Improvements against the properties benefitted thereby as prescribed by the Resolution of Intention are equitable and in proportion to and not exceeding the special benefits derived from the respective Improvements by the lots, tracts and parcels to be assessed therefor within the District, and the special assessments levied by this resolution are in accordance with the methods and do not exceed the amounts prescribed by the Resolution of Intention.

Section 4. Public Hearing; Objections. This Board, on September 8, 2009, adopted

Resolution 26-2009, pursuant to which this Board declared its intention to levy and assess the special assessments in the District. Notice of passage of the resolution was duly published and mailed in all respects in accordance with law, and on September 29, 2009, this Board conducted a public hearing on the levying and assessment of the special assessments.

This Board has considered the objections, if any, submitted to the proposed assessments and other comments made at the public hearing. This Board has determined not to modify any of the special assessments appearing in the proposed assessment roll attached as Exhibit A to such resolution.

Section 5. Final Levy of Assessments. The special assessments for the costs of the Improvements shall be levied and assessed against properties in the District in accordance with the method of assessments referred to in Section 3. Such assessments shall be payable over a term not exceeding 15 years, each in substantially equal semiannual payments of principal and interest within a fiscal year, taking into account each year the variable rate of interest under the INTERCAP Program of the Montana Board of Investments. Property owners shall have the right to prepay the special assessments as provided by law.

The special assessments shall bear interest from the date of issuance of the Bond until paid at an annual rate equal to the Interest Rate (as hereinafter defined), as such may change from time to time, plus penalties and interest for delinquent installments as provided by law. As used herein, "Interest Rate" means, as of the date of determination, the sum, determined as of the date an installment of the special assessment is levied each fiscal year, of: (i) the then current Loan Rate (i.e., the interest rate applicable to local governmental borrowers under the INTERCAP Program of the Montana Board of Investments then in effect), plus (ii) one percent (1.00%) per annum, plus (iii) if and to the extent that the Loan Rate is then less than fifteen percent (15.00%) per annum (the maximum interest rate on the Bond), an additional one percent (1.00%) per annum, interest being payable with principal installments. The Interest Rate shall be determined by August of each fiscal year so long any Bond is outstanding and shall apply to the outstanding installments of the special assessments not delinquent. If no amounts under the Bond are outstanding, but special assessments remain unpaid and are not delinquent, the Interest Rate shall be equal to the Interest Rate as most recently determined. The initial Interest Rate for the fiscal year ending June 30, 2010 (and with respect to principal and interest installments due on the Bond on February 15, 2010 and August 15, 2010) shall be 5.25% per annum.

The special assessments shall be levied against the lots, tracts and parcels in the respective amounts listed on Exhibit A to this resolution (which is hereby incorporated herein and made a part hereof). Exhibit A contains a description of each lot, tract or parcel of land to be assessed, the name of the owner, if known, and as to special assessments due May 31, 2010 and November 30, 2010 to pay debt service on the Bond, the total amount of the special assessment levied against each lot, tract or parcel, the amount of each partial payment of the special assessment, and the day when each such partial payment shall become delinquent (the "Assessment Role"). Exhibit A also contains the proposed amount to be assessed to pay maintenance costs of the Improvements.

Section 6. Certification of Assessments. A copy of this resolution, including Exhibit A

hereto, certified by the Clerk and Recorder shall be delivered to the County Treasurer within two days after the adoption hereof.

Section 7. Further Actions. Officers of the County are further authorized and directed to take all actions as may be required by law to assure that the special assessments levied by this resolution are duly certified, assessed and collected in accordance with law.

**ADOPTED** by the Board of County Commissioners of Jefferson County, Montana, this 6<sup>th</sup> day of October, 2009.

**ATTEST:**

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**BONNIE RAMEY  
CLERK AND RECORDER**

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**TOMAS E. LYTHGOE, CHAIR**

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**KEN WEBER, COMMISSIONER**

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**DAVE KIRSCH, COMMISSIONER**